

**BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001**

**Notice of Market Dominant Price Adjustment
For First-Class Mail and Standard Mail**

Docket No. R2012-6

**Comments of the
American Catalog Mailers Association (ACMA)
(March 12, 2012)**

The Notice of Market Dominant Price Adjustment, Docket No. R2012-6 (March 12, 2012), invited comments by today. The American Catalog Mailers Association is pleased to have the opportunity to comment. As smart phones, tablets, and other mobile communications are rapidly becoming consumers' communication tools of choice, all while postal mail volume continues to fall, ACMA supports the work of the USPS to find means of bridging mail to mobile, thereby adding greater value to mail.

Mailing decisions made by our members, catalog mailers, are almost always driven by a cost/benefit equation. This price adjustment by the U.S. Postal Service goes beyond merely offering catalog mail a 2% discount; it may ultimately lead to greater value for print mail by tying hard copy to growing mobile communications. Specifically, the program's requirement for mobile barcodes taking consumers from the printed catalog page to mobile-enabled websites and on to placing orders via a mobile device, may lead to higher returns for mailers.

While the efficacy of tying mail to mobile is still evolving, continuing encouragement by the USPS to invest in experimentation with this emerging medium is an appropriate way of stimulating innovation that can lead to greater use of mail in the future. Last year, the USPS made a significant impact in the catalog community through its first mobile barcode incentive, which drew significant attention by marketers to the potential of tying mail and mobile using QR and other mobile codes. This year's incentive represents a logical next step on the development path.

Our members mail their catalogs through a continuum of Carrier Route and Standard Flats, predominately, as guided by Postal Service requirements. In order to make this promotion work for those catalog mailers who can qualify — and thereby helping improve USPS mail volume — it's important that both of these mail products be eligible for the discount. Despite the much-desired result of getting catalog mail closer in line with mobile, catalog mailers would, no doubt, be far less inclined to take part in the promotion if either mail product were to be made ineligible. As it stands now, the cost for some marketers to create a qualifying mobile website is many times greater than the incentive can yield in postage saved. Reducing a proportion of the catalogs that qualify will degrade the economics further and reduce the number of companies that participate, diminishing the experimentation and innovation that result.

With both catalog products eligible, we believe this can result in an enhanced benefit to catalog shopping, which can favorably impact catalog mail

volume at any given price level. As with last year's pricing adjustment from R2011-2, we expect that some of our members will again mail more catalogs containing mobile barcodes due to this incentive, potentially bringing greater or new-found value to print catalogs in the mailstream. Should response rates, frequency, or dollars spent increase as customers make use of mobile barcodes, it will favorably improve the cost/benefit equation for mailers. As a result, this will create more long-term value for catalogs in the mail.

In sum, we would like to see this incentive continue a positive path of bridging print mail to mobile and potentially enhancing mail's value during a period in which the Postal Service is in desperate need of attracting more mail volume and retaining current mail volumes in the mailstream.

Respectfully Submitted,

Hamilton Davison,
President & Executive Director,
American Catalog Mailers Association

March 12, 2011